
**ALLEN PARISH WARD 3 FIRE PROTECTION
DISTRICT NO. 2**

A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY

GENERAL PURPOSE FINANCIAL STATEMENTS

**As of and For the Year Ended July 31, 2002
With Supplemental Information Schedules**

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Professional Company (Public Service Company, LLC)

Board of Commissioners

Allen Parish Ward 3 Fire Protection

District No. 2

A Component Unit of the Allen Parish Police Jury

Reeves, Louisiana

We have compiled the accompanying general purpose financial statements of the Allen Parish Ward 3 Fire Protection District No. 2, a component unit of the Allen Parish Police Jury, as of and for the year ended July 31, 2002, as listed in the table of contents, and the accompanying supplementary information, as listed in the table of contents, which are presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of management of Allen Parish Ward 3 Fire Protection District No. 2. We have not audited or reviewed the accompanying general purpose financial statements and supplementary schedules and, accordingly, do not express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated October 16, 2002, on the results of our agreed-upon procedures.

Mires & Company, CPAs, APC

Mires & Company, CPAs, APC
October 16, 2002

GENERAL PURPOSE FINANCIAL STATEMENTS

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Reeves, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS
Balance Sheet, July 31, 2002

	<u>GOVERNMENTAL FUNDS</u>		<u>ACCOUNT GROUPS</u>		
	<u>GENERAL</u>	<u>DEBT</u>	<u>GENERAL</u>	<u>GENERAL</u>	<u>TOTAL</u>
	<u>FUND</u>	<u>SERVICE</u>	<u>FIXED</u>	<u>LONG-TERM</u>	<u>(MEMORANDUM</u>
		<u>FUND</u>	<u>ASSETS</u>	<u>OBLIGATIONS</u>	<u>ONLY)</u>
ASSETS AND OTHER DEBITS					
Assets:					
Cash	\$ 133,094	\$ 54,798	\$ -	\$ -	\$ 187,892
Due from other fund	-	2,256	-	-	2,256
Other assets	685	-	-	-	685
Land, building, & equipment	-	-	584,051	-	584,051
Other Debits:					
Amount available in Debt Service					
Fund	-	-	-	57,054	57,054
Amount to be provided for retirement					
of general long-term obligations	-	-	-	70,946	70,946
TOTAL ASSETS AND					
 OTHER DEBITS	<u>\$ 133,779</u>	<u>\$ 57,054</u>	<u>\$ 584,051</u>	<u>\$ 128,000</u>	<u>\$ 902,884</u>
LIABILITIES, EQUITY, AND					
 OTHER CREDITS					
Liabilities					
Due to other fund	\$ 2,256	\$ -	\$ -	\$ -	\$ 2,256
Bonds payable	-	-	-	128,000	128,000
Total Liabilities	<u>2,256</u>	<u>-</u>	<u>-</u>	<u>128,000</u>	<u>130,256</u>
Equity & Other Credits:					
Investment in general fixed assets	-	-	584,051	-	584,051
Fund balances:					
Reserved for debt service	-	57,054	-	-	57,054
Unreserved - undesignated	131,523	-	-	-	131,523
Total Equity and Other Credits	<u>131,523</u>	<u>57,054</u>	<u>584,051</u>	<u>-</u>	<u>772,628</u>
TOTAL LIABILITIES, EQUITY,					
 AND OTHER CREDITS	<u>\$ 133,779</u>	<u>\$ 57,054</u>	<u>\$ 584,051</u>	<u>\$ 128,000</u>	<u>\$ 902,884</u>

See accompanying notes and accountants' report.

**ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY**

Reeves, Louisiana

GOVERNMENTAL FUNDS

**Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended July 31, 2002**

	<u>GENERAL FUND</u>	<u>DEBT SERVICE FUND</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
REVENUES			
Ad valorem taxes	\$ 45,270	\$ 34,756	\$ 80,026
Interest	3,083	1,049	4,132
Intergovernmental revenues:			
Parish police jury grants	5,660	-	5,660
Other	3,803	-	3,803
Miscellaneous	879	-	879
Total Revenues	<u>58,695</u>	<u>35,805</u>	<u>94,500</u>
EXPENDITURES			
Advertising	365	-	365
Bookkeeping	1,800	-	1,800
Insurance	9,601	-	9,601
Insurance - workmen's comp	913	-	913
Kitchen	-	-	-
Legal & professional	1,850	-	1,850
Medical	-	-	-
Office supplies	586	-	586
Per diem	1,225	-	1,225
Promotion	87	-	87
Radio	415	-	415
Repairs & maintenance	7,785	-	7,785
Sewer fee	144	-	144
Training	678	-	678
Utilities	2,947	-	2,947
Capital outlay	2,130	-	2,130
Debt service:			
Principal retirement	-	24,900	24,900
Interest	-	7,350	7,350
Paying agent fees	-	526	526
Total Expenditures	<u>30,526</u>	<u>31,876</u>	<u>62,402</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>28,169</u>	<u>3,929</u>	<u>32,098</u>
FUND BALANCES AT BEGINNING OF YEAR	<u>103,354</u>	<u>53,125</u>	<u>156,479</u>
FUND BALANCES AT END OF YEAR	<u>\$ 131,523</u>	<u>\$ 57,054</u>	<u>\$ 188,577</u>

See accompanying notes and accountants' report.

**ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY**

Reeves, Louisiana

GOVERNMENTAL FUND - GENERAL FUND

Statement of Revenues, Expenditures, and Changes in

Fund Balance - Budget and Actual

For the Year Ended July 31, 2002

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Ad valorem taxes	\$ 33,000	\$ 45,270	\$ 12,270
Interest	-	3,083	3,083
Intergovernmental revenues:			
Parish police jury grants	-	5,660	5,660
Other	-	3,803	3,803
Miscellaneous	-	879	879
Total Revenues	<u>33,000</u>	<u>58,695</u>	<u>25,695</u>
EXPENDITURES			
Advertising	450	365	85
Bookkeeping	1,900	1,800	100
Insurance	11,000	9,601	1,399
Insurance - workmen's comp.	1,200	913	287
Kitchen	200	-	200
Legal & professional	1,850	1,850	-
Medical	250	-	250
Office supplies	600	586	14
Per diem	1,800	1,225	575
Promotion	500	87	413
Radio	1,200	415	785
Repairs and maintenance	6,306	7,785	(1,479)
Sewer fee	144	144	-
Training	1,100	678	422
Utilities	3,500	2,947	553
Capital outlay	<u>1,000</u>	<u>2,130</u>	<u>(1,130)</u>
Total Expenditures	<u>33,000</u>	<u>30,526</u>	<u>2,474</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>28,169</u>	<u>28,169</u>
FUND BALANCE AT BEGINNING OF YEAR	<u>103,354</u>	<u>103,354</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 103,354</u>	<u>\$ 131,523</u>	<u>\$ 28,169</u>

See accompanying notes and accountants' report.

**ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY**

Reeves, Louisiana

Notes to the Financial Statements

As of and for the Year Ended July 31, 2002

INTRODUCTION

Allen Parish Ward 3 Fire Protection District No. 2 was created under the provisions of Louisiana Revised Statutes 40:1492-1501, for the purpose of providing fire protection for the people of Ward 3 of Allen Parish. The District is governed by a board of commissioners composed of five members, compensated on a per diem basis and appointed by the Allen Parish Police Jury. The District utilizes volunteer firemen.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Allen Parish Ward 3 Fire Protection District No. 2 have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

The District is a component unit of the Allen Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the District because it appoints a voting majority of the board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the District are classified as governmental funds. Governmental funds account for the District's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the District include:

**ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY**

Reeves, Louisiana

Notes to the Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. **General Fund**--the general operating fund of the District and accounts for all financial resources, except those required to be accounted for in other funds.
2. **Debt Service Fund**--accounts for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group.

D. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by the governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes and interest revenue.

E. BUDGET

A budget is adopted on a basis consistent with generally accepted accounting principles. An annual appropriated budget is adopted for the general fund. All annual appropriations lapse at fiscal year end.

The District does not use encumbrance accounting.

F. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the District may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Reeves, Louisiana
Notes to the Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the District's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

H. FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. Interest costs incurred during construction are capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

I. COMPENSATED ABSENCES

The District has no paid employees therefore there is no leave policy.

J. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

K. FUND EQUITY

Reserves

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

L. TOTAL COLUMNS ON STATEMENTS

Total columns on the statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Reeves, Louisiana
Notes to the Financial Statements

NOTE 2 - LEVIED TAXES

For the year ended July 31, 2002 taxes of 9.21 mills were levied on property with assessed valuations totaling \$9,012,700, and were dedicated as follows:

Maintenance	5.21 mills
Bond sinking	4.00 mills

Total taxes levied were \$83,007.

Property tax millage rates are adopted in July for the calendar year in which the taxes are levied and recorded. All taxes are due and collectible when the assessment rolls are filed on or before November 15th of the current year, and become delinquent after December 31st. Property taxes not paid by the end of February are subject to lien.

NOTE 3 - CASH AND CASH EQUIVALENTS

At July 31, 2002, the District has cash and cash equivalents (book balances) totaling \$187,892 as follows:

Demand deposits	\$ 75,933
Interest-bearing demand deposits	54,798
Time deposits	55,161
Other	<u> </u>
Total	<u>\$ 187,892</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At July 31, 2002, the District has \$138,125 in deposits (collected bank balances). These deposits are secured from risk by \$177,165 of federal deposit insurance and \$10,960 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent has failed to pay deposited funds upon demand.

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY

Reeves, Louisiana

Notes to the Financial Statements

NOTE 4 - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance 08/01/2001	(Deductions) Additions	Balance 07/31/2002
Land	\$ 14,007	\$ -	\$ 14,007
Equipment	382,680	-	382,680
Building	<u>185,234</u>	2,130	<u>187,364</u>
TOTAL	<u>\$ 581,921</u>	<u>\$ 2,130</u>	<u>\$ 584,051</u>

NOTE 5 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions during the year:

	Bonded Debt
Long-term obligations payable at 07/31/2001	\$ 152,000
Additions	-
Deductions	<u>24,000</u>
Long-term obligations payable at 07/31/2002	<u>\$ 128,000</u>

General obligation bonds are comprised of the following individual issue:

\$232,000 General Obligation Refunding bonds dated 8/1/97; due in annual installments of \$19,000 - \$29,000 through February 1, 2007; interest at 5.25% (this issue secured by levy and collection of ad valorem taxes)	<u>\$ 128,000</u>
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The annual requirements to amortize all bonds outstanding at July 31, 2002, including interest of \$17,430, are as follows:

<u>Year Ending July 31,</u>	<u>Total</u>
2003	\$ 29,116
2004	30,830
2005	27,513
2006	28,205
2007	<u>29,761</u>
Total	<u>\$ 145,430</u>

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY

Reeves, Louisiana

Notes to the Financial Statements

NOTE 6 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 7 - CURRENT REFUNDING OF GENERAL OBLIGATION BONDS

On August 11, 1997, the District defeased its General Obligation Bonds dated July 1, 1987 with an outstanding balance of \$355,000. This was accomplished by the issuance of \$232,000 of General Obligation Refunding Bonds and use of cash from the Debt Service Fund. This refunding was undertaken to take advantage of lower interest rates and to reduce total future debt service payments. The transaction resulted in an economic gain of approximately \$45,000 and a reduction of approximately \$95,000 in future debt service payments.

NOTE 8 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

There are a number of limitations and restrictions contained in the bond indenture. The District is in compliance with all significant limitations and restrictions. No material violations of finance related, legal and contractual provisions occurred for the year ended July 31, 2002.

NOTE 9 - GASB STATEMENT No. 34

The District is not required to implement GASB No. 34 until the period of August 1, 2003 to July 31, 2004.

SUPPLEMENTAL INFORMATION SCHEDULES

**ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY**

Reeves, Louisiana

Supplemental Information Schedule

Schedule of Compensation Paid Board Members

For the Year Ended July 31, 2002

COMPENSATION PAID BOARD MEMBERS

A schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. As provided by Louisiana Revised Statute 40:1498, each commissioner may receive \$25 per diem for attending regular and special monthly meetings.

See accountants' report.

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Reeves, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE

Schedule of Compensation Paid Board Members
For the Year Ended July 31, 2002

<u>NAME</u>	<u>NUMBER OF MEETINGS</u>	<u>AMOUNT</u>
Carl Ritter	6	\$ 150
Fred Ritter	11	275
Brian Fontenot	7	175
Luther Miller	10	250
Georgia Frige	10	250
Rusty Reeves, Fire Chief	5	<u>125</u>
Total		<u>\$ 1,225</u>

See accountants' report.

**ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Reeves, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE**

**Management's Corrective Action Plan for Current Year Findings
For the Year Ended July 31, 2002**

AGREED-UPON PROCEDURES: (FINDINGS)

None

See accountants' report.

ALLEN PARISH WARD 3 FIRE PROTECTION DISTRICT NO. 2
A COMPONENT UNIT OF THE ALLEN PARISH POLICE JURY
Reeves, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULE

Management's Summary Schedule of Prior Findings
For the Year Ended July 31, 2002

AGREED-UPON PROCEDURES: (FINDINGS)

None

See accountants' report.



Miles & Company
A Professional Corporation

Certified Public Accountants

Members
American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants
Practical Accountants Board, Section 30.20

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners
Allen Parish Ward 3 Fire Protection
District No. 2
A Component Unit of the Allen Parish Police Jury
Reeves, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Allen Parish Ward 3 Fire Protection District No. 2 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Allen Parish Ward 3 Fire Protection District No. 2's compliance with certain laws and regulations during the year ended July 31, 2002 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

We reviewed all disbursements made during the year. There were no expenditures over \$15,000 for materials and supplies, and no expenditures over \$100,000 for public works.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

The District has no paid employees. All firemen are unpaid volunteers.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

Board of Commissioners
Allen Parish Ward 3 Fire Protection District No. 2
A Component Unit of the Allen Parish Police Jury
Page 2

See #2 above.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on June 26, 2001 which indicated that the budget had been adopted by the Commissioners of Allen Parish Ward 3 Fire Protection District No. 2 by an unanimous vote. No amendments were made to the budget during the year.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues did not fail to meet budgeted revenues by 5% or more and actual expenditures for the year did not exceed budgeted amounts by more than 5%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

We found that all payments were properly coded to the correct fund and general ledger account.

- (c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the accountant and the chairman of the Board of Commissioners. In addition, each of the disbursements were traced to the District's minute book where they were approved by the full commission.

M. G.

Board of Commissioners
Allen Parish Ward 3 Fire Protection District No. 2
A Component Unit of the Allen Parish Police Jury
Page 3

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LA-RS 42:1 through 42:12 (the open meetings law).

Allen Parish Ward 3 Fire Protection District No. 2 is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building. Management has asserted that it does post both the notice of the meeting and the agenda. We viewed copies of these notices in the District's files.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

The District has no paid employees.

Our prior year report, dated October 3, 2001, did not include any comments or unresolved matters.

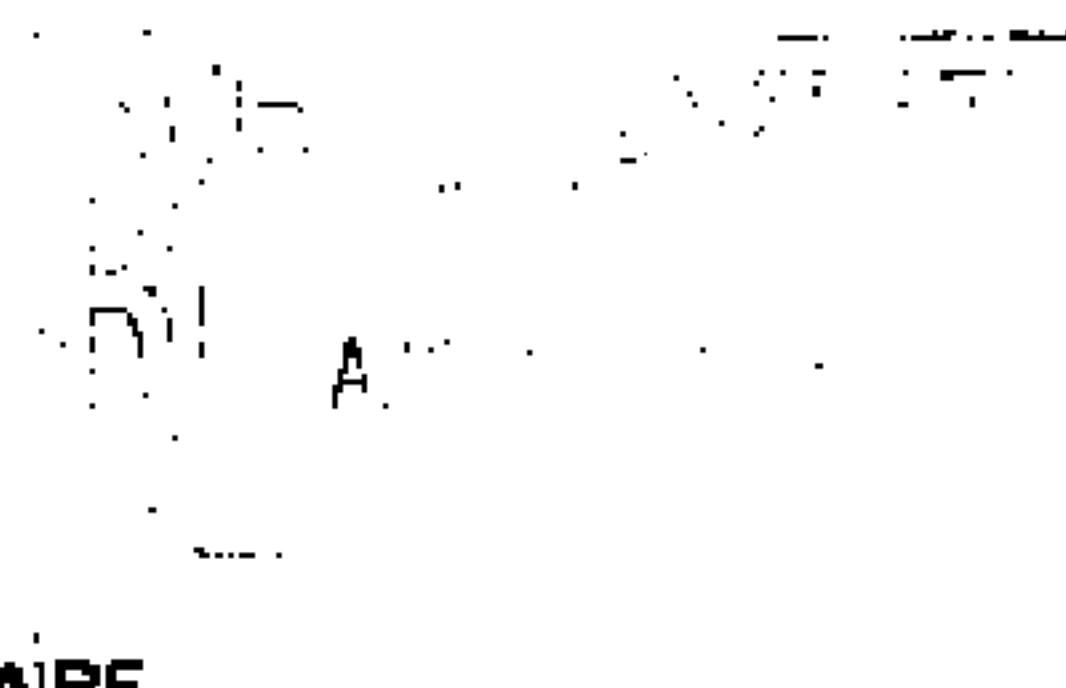
We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Allen Parish Ward 3 Fire Protection District No. 2 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Mires & Company, CPAs, APC

Mires & Company, CPAs, APC
October 15, 2002

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LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

(Date Transmitted)

Miner's Company, CPAs, APC
1633 West Parkway
Shreveport, LA 70663

(Auditors)

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of [date of completion/representations].

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:32, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law provided in RS 42:1 through 42:12.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 30 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article V, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes ☒ No ☐

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG Opinion 79-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

<u><i>Margie B. Fraye</i></u>	Secretary	<u>7-25-02</u>	Date
<u><i>John P. Fraye</i></u>	Treasurer		Date
<u><i>John P. Fraye</i></u>	President	<u>7-25-02</u>	Date